

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
2004 Legislative Year**

**Status as of October 1, 2004**

**C - Chaptered Bills**

<b>Bill Number Version</b>	<b>Author</b>	<b>Summary</b>	<b>Board Position</b>	<b>Status</b>
<b>AB 753</b>  C-09/10/2004	Leslie	<b>Safety Employees' Surviving Spouses: Health Benefits</b>  Current law provides health benefit coverage to the survivor of a safety officer who dies as the result of a work-related illness or injury, if married for one year prior to death. This bill would also provide this benefit for surviving spouses married for less than one year, as long as they were married prior to the onset of the illness or injury leading to the safety officer's death. Urgency measure.	Sponsor	09/10/2004- Chaptered by Secretary of State - Chapter No. 440, Statutes of 2004
<b>AB 1209</b>  C-01/22/2004	Nakano	<b>Public Records Act - Confidential Documents</b>  Current law provides for public disclosure of most public documents; however, some documents are exempt from disclosure. This bill expands that exemption to include documents prepared by a state agency for distribution or consideration in a closed session that assesses its vulnerability to terrorist attack or other criminal acts intended to disrupt the public agency's operations.	Support	01/22/2004- Chaptered by Secretary of State - Chapter No. 8, Statutes of 2004
<b>AB 1875</b>  C-09/21/2004	Maldonado	<b>Local Agency Benefit Formulas</b>  Amends the local agency retirement benefit formulas enacted by AB 616 (Ch. 782, Statutes of 2001) to specify that when an agency elects a formula, the formula will apply towards a member's entire service credit with that employer. Current law specifies that the formulas enacted by AB 616 only apply toward future service. This bill will also require the state, upon request, to meet and confer with supervisory employee organizations under specified circumstances.		09/21/2004- Chaptered by Secretary of State - Chapter No. 654, Statutes of 2004
<b>AB 1959</b>  C-09/30/2004	Chu	<b>State Auditor Evaluation of Drug Purchasing</b>  Requires the State Auditor to conduct an audit of the state's procurement and reimbursement with respect to the purchasing of prescription drugs for or by state agencies, including CalPERS. The audit report is due to the Legislature by May 31, 2005. The State Auditor is required to submit a status report in 2006 regarding implementation of its recommendations. The bill also states the Legislature's intent to conduct subsequent audits in 2007 and 2009, if warranted.	Neutral	09/30/2004- Chaptered by the Secretary of State, Chapter Number 938

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<b>AB 2103</b>  C-09/21/2004	McLeod, Negrete	<b>MOU - Bargaining Unit 5</b>  Contains MOU provisions for Bargaining Unit 5, affecting California Highway Patrol employees, specifying that final compensation for purposes of retirement includes compensation the member would have earned effective July 1, 2004 if a specified 5% reduction in compensation had not occurred.		09/21/2004- Chaptered by Secretary of State - Chapter No. 635, Statutes of 2004
<b>AB 2355</b>  C-07/23/2004	Oropeza	<b>CalPERS: Administrative Costs</b>  Requires the Board, upon request, to provide information to a contracting agency regarding administrative costs. Previous version would have required that the administrative costs charged to a contracting agency be based on the agency's pro rata share of the actuarial accrued liability for all employers within the system.	Neutral	07/23/2004- Chaptered by Secretary of State - Chapter No. 190, Statutes of 2004
<b>AB 2364</b>  C-08/23/2004	Correa	<b>Public Pension Systems: Credit Enhancement</b>  Codifies the authority of state public pension systems to establish credit enhancement programs, subject to and consistent with their fiduciary duty and the conflict of interest provisions of Section 503 of the Internal Revenue Code. Urgency measure.	Sponsor	08/23/2004- Chaptered by Secretary of State - Chapter No. 266, Statutes of 2004
<b>AB 2680</b>  C-08/30/2004	McLeod, Negrete	<b>CalPERS: Property Acquisition for STRS</b>  Existing law authorizes the STRS Board to remodel, equip, or construct an office building in Sacramento County for a headquarters facility for STRS. Existing law also gives the CalPERS Board the authority to acquire property for use by STRS or other state retirement systems. This bill removes STRS from the systems for which the CalPERS Board has the authority to acquire property.		08/30/2004- Chaptered by Secretary of State - Chapter No. 378, Statutes of 2004
<b>AB 2711</b>  C-08/23/2004	Leno	<b>Local Agency Transfer Agreements</b>  Authorizes CalPERS to enter into an agreement with the San Francisco City and County Employees' Retirement System for the transfer of assets and liabilities with respect to safety members who are employed by the city and county or the local fire authority, as a result of a transfer of firefighting or law enforcement functions.	Support	08/23/2004- Chaptered by Secretary of State - Chapter No. 268, Statutes of 2004

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Bill Number Version	Author	Summary	Board Position	Status
<b>AB 3082</b> C-07/22/2004	Committee on Judiciary	<b>Code Maintenance</b>  Makes technical, nonsubstantive changes in various provisions of law to effectuate the recommendations made by the Legislative Counsel to the Legislature.		07/22/2004- Chaptered by Secretary of State, Chapter No. 183
<b>AB 3094</b> C-09/14/2004	Assembly PER&SS Committee	<b>Collection of Overpayments</b>  Adds an exemption to the provisions of the California Right to Financial Privacy Act to require a financial institution to provide CalPERS, CalSTRS, or the 1937 Act County Retirement Systems with information as to who had access to the funds paid to a deceased retiree's account after the date of his or her death.	Sponsor	09/14/2004- Chaptered by Secretary of State - Chapter No. 506, Statutes of 2004
<b>AJR 79</b> C-06/10/2004	Chu	<b>Corporate Elections</b>  Urges the Securities and Exchange Commission to implement proposed Rule 14a-11 at the earliest possible date, to address the urgent need for reform to increase shareholder access to the proxy in corporate board elections and to promote corporate board accountability and responsiveness to shareholder concerns.	Support	06/10/2004- Chaptered by Secretary of State - Chapter No. 92, Statutes of 2004
<b>SB 626</b> C-06/24/2004	Senate PE&R Committee	<b>Recodification of PEMHCA</b>  Recodifies the provisions of the Public Employees Medical and Hospital Care Act (PEMHCA) in order to provide greater clarity. Urgency measure.	Sponsor	06/24/2004- Chaptered by Secretary of State - Chapter No. 69, Statutes of 2004
<b>SB 1103</b> C-08/16/2004	Committee on Budget and Fiscal Review	<b>Budget Trailer Bill - LTC Program Assessment</b>  This is a budget trailer bill for health programs administered by the state. As it pertains to CalPERS, this bill would extend the operation of the California Partnership for Long-Term Care Program, and also require any organization issuing policies certified under the program to contribute at least \$20,000 annually to fund education and marketing expenses conducted by the program.		08/16/2004- Chaptered by Secretary of State - Chapter No. 228, Statutes of 2004

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SB 1105 C-08/12/2004	Committee on Budget and Fiscal Review	<p><b>State Employees: Alternative Retirement Program &amp; Extension of Rural Health Care Equity Program</b></p> <p>Provides that new state employees who become members of CalPERS, as specified, shall not make contributions to CalPERS, nor receive service credit for their service, and the state employer shall not make contributions on their behalf, during their first 24 months of employment. Requires those members to make contributions to an alternative retirement program (ARP), administered by DPA, during that 24 months, after which the members shall begin contributing to CalPERS and earning service credit in the system. Provides that, in months 47 to 49, the member may elect to receive the ARP contributions as cash or transfer the accumulated contributions in the ARP to CalPERS and thereby receive service credit for that 24-month period. Provides that the 24-month period shall be treated as state service for vesting for preretirement death benefits, retirement eligibility, and retiree health coverage regardless of whether contributions are transferred to CalPERS. Provides that a member who does not transfer the contributions from ARP to CalPERS may, at any time prior to retirement, purchase the service credit at full present value cost. This bill also extends the operation of the Rural Health Care Equity Program until January 1, 2008.</p>		08/11/2004- Chaptered by the Secretary of State, Chapter Number 214
SB 1106 C-08/12/2004	Committee on Budget and Fiscal Review	<p><b>California Pension Restructuring Bond Act of 2004</b></p> <p>Establishes the Pension Obligation Bond Committee, authorized to issue bonds and take other actions under the California Pension Obligation Financing Act. Enacts the California Pension Restructuring Bond Act of 2004, authorizing the issuance, during any 2 fiscal years after June 30, 2004, of bonds for the purpose of funding or refunding the state's obligations to the PERF. Authorizes the cumulative amount of the bonds to be the lesser of \$2 billion or the anticipated reduction, as estimated by the Director of Finance, in state contributions to CalPERS due to enactment of SB 1105.</p>		08/11/2004- Chaptered by the Secretary of State, Chapter Number 215
SB 1113 C-07/31/2004	Committee on Budget and Fiscal Review	<p><b>2004-05 Budget Act</b></p> <p>Makes appropriations for support of state government for the 2004-05 fiscal year. Urgency clause.</p>		07/31/2004- Chaptered by Secretary of State - Chapter No. 208, Statutes of 2004

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Bill Number Version	Author	Summary	Board Position	Status
<b>SB 1439</b>  C-09/09/2004	Speier	<b>Retired Annuitants: Unemployment Insurance</b>  Prohibits a retired member from employment as a retired annuitant with a CalPERS employer, if the retired member, within the prior 12 months, received unemployment insurance compensation following the termination of a previous retired-annuitant appointment with the same employer. The retired member would be required to terminate employment as a retired annuitant and would be ineligible for re-employment for a period of at least 12 months.	Support	09/09/2004- Chaptered by Secretary of State - Chapter No. 398, Statutes of 2004
<b>SB 1603</b>  C-08/16/2004	Senate PE&R Committee	<b>CalPERS' 2004 Omnibus Bill</b>  Contains technical and noncontroversial changes to the laws CalPERS administers. This is CalPERS' 2004 housekeeping bill.	Sponsor	08/16/2004- Chaptered by Secretary of State - Chapter No. 231, Statutes of 2004